



October 8, 2014

Zaffar Eusuff
Program Manager
California Department of Water Resources
Division of Integrated Regional Water Management
Financial Assistance Branch
Post Office Box 942836
Sacramento, CA 94236

Re: Kaweah River Basin IRWM 2014 Drought Grant draft Scoring and Award

Mr. Eusuff,

The purpose of the following is to provide justification for points to be given back to the Kaweah River Basin 2014 Drought Grant Application. The Application was given a score of 28 out of 37 and recommended for an award of \$241,818 (26%) of the requested \$917,404. The criteria where the application lost points are discussed below. We did not comment on the ability of either the City of Lindsay or the City of Visalia to effectively utilize the limited proposed grant allocation of only \$214,818. Clearly the small award makes it difficult to functionally implement either project and we are currently exploring options on how best to accomplish that. The following identifies areas of the application in which we question DWR's scoring and request that DWR reevaluate the scores assigned.

- 1- Does the Proposal clearly demonstrate the regional water management impact(s) due to the 2014 drought or any anticipated impacts if the drought or dry year conditions continue into 2015?
 - a. Score: 2/5
 - b. PSP Requirement – *“A description of the regional water management impacts due to the 2014 Drought and any anticipated or projected impacts if drought or dry conditions continue into 2015... Applicants must explain if/how the drought has caused the region to encounter the [listed] impacts.”*
 - c. Justification for points
 - i. Of the seven listed impacts, six were applicable to the Kaweah region.
 - ii. Evaluation scoring says we clearly demonstrated one impact or less than clearly demonstrated one to three impacts. We provided specific numbers and references to four impacts (not meeting drinking water, not meeting ag water demand, groundwater basin

overdraft, and Tulare County statistics for unemployment directly related to the drought). At a minimum, we believe three to four impacts described clearly demonstrated “high regional drought impacts.” Consider rescoring to provide at least four points.

- iii. Since submission of the grant, impacts have become even more exacerbated. It is clear that Tulare Basin is the “epicenter” of the drought in terms of impacts. Since the PSP provided contingency for providing more information in 30 days, we can provide even further demonstration of impacts.

7- Enter up to 3 points for proposals that address the Human Right to Water

- a. Score: 2/3
- b. PSP Requirement – *“In particular, describe any issues related to the Human Right to Water Policy and the IRWM region’s effort to address the goal of the Human Right to Water Policy. For those proposals that include projects that assist in meeting the Human Right to Water goals, please describe how the proposed project(s) accomplishes this.”*
- c. Justification for points
 - i. All project descriptions in the Proposal addressed how Program Preferences relate to the Human Right to Water Policy. In our opinion, with all projects adequately addressing this policy, all points should be available.
 - ii. The City of Lindsay project directly relates to addressing the Human Right to Water Policy for a DAC by increasing the reliability of a clean drinking water supply. Aiding DAC’s is a Statewide priority.

8- Is there a brief description of the project included?

- a. Score: 0/2
- b. PSP Requirement – *“The applicant must include a brief description of each project (25 words or less for each project) contained in the Proposal and the name of the respective implementing agency/organization”*
- c. Justification for points
 - i. Our understanding of the PSP was that specifying the name of the implementing organization is separate from the 25 word requirement per project due to the word “and” separating the two. This is why there were separate sentences for each component.
 - 1. The City of Visalia description: “The Visalia Water Conservation program provides drought relief by implementing carefully-chosen water conservation programs that are not locally cost-effective.” (19 words)
 - 2. The City of Lindsay description: “The Well 15 Water Quality Protection Project addresses water quality and water supply issues for the City of Lindsay, a disadvantaged community.” (22 words)
 - ii. Based on the Evaluation Criteria, it asks that a brief description is included (yes/no basis), clearly such a description is provided in Section 6.2.

10- Does the applicant clearly explain how the proposed project will help alleviate the identified drought impacts?

- a. Score: 2/4 (None for City of Lindsay Project)
- b. PSP Requirement – *“discuss how the project will help alleviate the drought impact(s) identified in Attachment 2 and how the project can be considered as one or more of the four eligible drought project types.”*
- c. Justification for points
 - i. The Well 15 Project specifically alleviates two of the impacts listed in Attachment 2 (not meet drinking water demands, drinking water MCL violations). It does not alleviate all of them, but the two it does alleviate are very critical, especially for a DAC.
 - ii. Assuming the project in and of itself does not have to address all listed impacts to gain the full two points, then the Lindsay project should have scored at least something?

11- Is each physical benefit annualized over the lifecycle of the project?

- a. Score: 1/2 (None for City of Lindsay Project)
- b. PSP Requirement – *“Physical benefits are the expected measurable accomplishments of the project...Physical benefits should be based on estimated measures of project accomplishments over the period of analysis and consistent with the provided need described in [Criteria 10].”*
- c. Justification for points
 - i. The application did provide annualized physical benefits for the well in terms of acre-feet of reliable water supply. These annual benefits were based on Bureau of Reclamation statistics for allocations for CVP Class 1 supplies and thus the need for supplemental groundwater supplies. The well would serve the additional demand that the surface water supply could not serve. The benefits were also annualized over the lifecycle of the project, which in this case is the remaining life of the well (estimated at 35 years). For the yes/no grading, all physical benefits were annualized for the lifecycle of the project and should have been scored a yes with full points.
 - ii. There was also mention of public perception as an additional benefit. This was not quantified because it is not a physical benefit.

12- Are the anticipated primary and secondary physical benefits of the project described and quantified?

- a. Score: 1/2 (None for City of Lindsay Project)
- b. PSP Requirement – *“Physical benefits are the expected measurable accomplishments of the project...Physical benefits should be based on estimated measures of project accomplishments over the period of analysis and consistent with the provided need described in [Criteria 10].”*
- c. Justification for points
 - i. The comment section below the table describes how the annual quantities were derived. They were derived based on Bureau of Reclamation statistics. The well meets the additional demand not met by surface water availability.
 - ii. The Technical Justification Section (Section 6.5.2, page 40-41) states what the well can produce, which is higher than any annual

demand justifying that the well can provide the additional needed supply which sets the basis for quantifying the benefits.

- iii. Quantifying public perception, it is difficult, if not impossible, to quantify because it is not a physical benefit.

14- Does the technical analysis support the claimed physical benefits?

- a. Score: 0/4
- b. PSP Requirement – *“Provide a narrative description of the primary and secondary expected physical benefits, which must address the [listed items on Pg. 24 of the PSP].”*
- c. Justification for points
 - i. Both projects receive points for having the requisite reasonable level of technical analysis to score points for Q13, thus, points for supporting the claimed benefits should have been awarded.
 - ii. For the City of Visalia Project, sources were cited for where the estimates were generated, which primarily came from The California Urban Water Conservation Council. The text of the application just summarized the quantities of each program in order to keep in line with the brief document requirement. Further detail was provided in Attachment 3 Appendix A to give specific quantities on rebates, square feet of turf replacement, and surveys in a given year.
 - iii. City of Lindsay Project portion of the application provided the requirements for the technical analysis in Section 6.5.2 (pg. 40-41). This section: provided technical basis through a recent study, description of recent and historic conditions suggesting reasonableness of benefits, estimated benefits without the project, described how benefits were determined, and identified the new facilities. No adverse physical effects are expected, so no description of adverse physical effects was deemed necessary

15- Is the proposed project the least cost alternative? If not, does the applicant sufficiently explain why it was selected instead of the least cost alternative?

- a. Score: 1/2 (None for City of Visalia Project)
- b. PSP Requirement – *“If the proposed project is not the least cost alternative, why is it the preferred alternative? Provide an explanation of any accomplishments of the proposed project that are different from the alternative project or methods.”*
- c. Justification for points
 - i. These programs, by their nature, are not locally cost-effective but are needed by the City’s water purveyor (Cal Water) to meet the State’s 20x2020 conservation mandate. Locally cost effective programs are not eligible. The circular nature of the PSP Requirement is confusing and thus difficult to comply with.
 - ii. Text as to the Cost Effectiveness (Table 6) and Section 11 of Attachment 1 explain that several conservation programs were reviewed and a subset of the programs were selected to put together for this application.

Thank you for considering our scoring comments.

Sincerely,



Mark Larsen, General Manager
Kaweah Delta Water Conservation District

Cc: Kim Loeb – City of Visalia
Mike Camarena – City of Lindsay